

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 513 - HB 691

February 27, 2013

SUMMARY OF BILL: Requires board members of water utility districts located in Lawrence County, serving less than 1,600 customers, to be elected by customers of the utility district.

ESTIMATED FISCAL IMPACT:

Increase Local Expenditures - \$5,000/Lawrence County Water Utility Districts*

Assumptions:

- According to the Division of Elections within the Department of State, the bill will not fiscally impact the Department as the provisions of the bill provide the cost of the election is to be paid by each affected utility.
- According to the Tennessee Association of Utility Districts (TAUD), there are five utility districts in Lawrence County, each serving less than 1,600 customers.
- Pursuant to Tenn. Code Ann. §7-82-307(g)(1), Lawrence County water utility districts are governed by a five-member board with each member serving a 4 year term. Board members have staggered terms with one member's term expiring each year.
- According to TAUD, the cost of each election, including costs for notification, will be approximately \$1,000 with one election from each of the five utility districts occurring each year, resulting in an annual increase in local government expenditures of \$5,000 for water utility districts in Lawrence County.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

/jrh